

State of Alaska FY2011 Governor's Operating Budget

Department of Administration Purchasing Component Budget Summary

Component: Purchasing

Contribution to Department's Mission

To assist state agencies and political subdivisions to achieve their public mission and reduce costs by providing professional procurement services.

Core Services

- Establish cost-effective multi-agency term contracts for high use supplies and services needed by all agencies.
- Provide training to client agencies on the application of the State Procurement Code (AS 36.30, 2 AAC 12) and the Alaska Administrative Manual.
- Provide consultation to client agencies to assist them in their procurement of supplies, services, and professional services.
- Participate in and facilitate cooperative purchases with qualified public procurement units to increase buying power and leverage limited resources.
- Provide guidance and leadership in procurement by supplying information, policy manuals, standard documents and forms, automated procurement tools, and other necessary information.

Results at a Glance

(Additional performance information is available on the web at <http://omb.alaska.gov/results.>)

END RESULT A: Improved cost effectiveness of state procurement.

- Multiple new and re-bid contracts managed by the Division of General Services in the Department of Administration resulted in cost savings in excess of 5% as compared to prior rates.

Status of Strategies to Achieve End Result

- Multiple new and re-bid contracts were awarded during the period.

Major Activities to Advance Strategies

- Procurement and expenditure analysis to determine which new contracts should be established.
- Issue solicitations or enter into cooperative agreements to obtain cost effective contracts.

Key Component Challenges

Increase the current level of services while utilizing the same staff resources to:

- Automate systems and procurement methods using the Internet to foster improved efficiency for state agencies, improve access for Alaska Vendors to state business, and enhance reporting on state purchasing activities;
- Improve the statewide procurement officer certification and training program;
- Maintain and enhance the web-based system to track state procurement officer certifications, training records, and delegations of purchasing authority;
- Increase the number of statewide term contracts available for all state agencies and political subdivisions;
- Improve outreach to state political subdivisions to ensure rural communities and other State of Alaska subdivisions have access to cost effective and efficient contracts.

Significant Changes in Results to be Delivered in FY2011

No significant changes are anticipated.

Major Component Accomplishments in 2009

Five Division of General Services (DGS) purchasing staff members received certification from the National Institute of Governmental Purchasing as Certified Professional Public Buyers (CPPB). DGS was awarded the Universal Public Purchasing Certification Council Agency Certification Award for this accomplishment. This award is presented to agencies to formally recognize an agency's commitment to the value of certification in the public sector.

The purchasing section developed and presented a "State Contracts for use by Political Subdivisions" training class at the Alaska Peace Officer's 2008 Crime Conference.

DGS established new statewide contracts for electrical services and supplies, confidential shredding services, and data entry services.

New statewide contracts were also established by the purchasing section for a variety of supplies and services based on cooperative purchasing agreements with other states: Standard Register (Quick Copy Services), Armor Express, Pointblank, Blackhawk, US Armor (body armor). All political subdivisions within Alaska may use these contracts.

DGS presented 33 procurement training courses to 695 attendees.

DGS processed 149 Requests for Alternate Procurement with a total value over \$150 million.

DGS managed over 200 statewide contracts used by the state and its political subdivisions representing a diverse mix of supplies and services such as automobile tires, police interceptors, hazardous incident response equipment, radios, satellite phones, microcomputers, rental cars, dairy products, fuel, drug testing, carpet and automated external defibrillators. The total annual dollar value of orders placed on DGS' statewide contracts is approximately \$100 million.

DGS re-bid its contracts for bakery products contract, in-state auto rentals, office moves, fuels, and travel management services.

DGS processed 11 cost waivers, out-of-state and out-of-country waivers.

The purchasing section provided procurement consultative services to all departments - reviewed advanced level procurement work and provided direction regarding complex solicitations, requests for alternate procurement, protests, appeals, violations and unique procurement situations.

Statutory and Regulatory Authority

AS 36.30	State Procurement Code
AS 44.21.020(1),(4)	Duties of the Department
AS 44.99.200-240	State Publications
2 AAC 12	Procurement
2 AAC 15	Purchasing

Contact Information

Contact: Vern Jones, Chief Procurement Officer
Phone: (907) 465-5684
Fax: (907) 465-2198
E-mail: Vern.Jones@alaska.gov

**Purchasing
Component Financial Summary**

All dollars shown in thousands

	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,001.3	1,097.8	1,099.6
72000 Travel	12.2	4.4	4.4
73000 Services	93.0	114.6	114.6
74000 Commodities	21.0	23.1	23.1
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,127.5	1,239.9	1,241.7
Funding Sources:			
1004 General Fund Receipts	1,111.8	1,239.9	1,241.7
1007 Inter-Agency Receipts	15.7	0.0	0.0
Funding Totals	1,127.5	1,239.9	1,241.7

**Summary of Component Budget Changes
From FY2010 Management Plan to FY2011 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2010 Management Plan	1,239.9	0.0	0.0	1,239.9
Adjustments which will continue current level of service:				
-FY2011 Health Insurance Cost	1.8	0.0	0.0	1.8
Increase Non-Covered Employees				
FY2011 Governor	1,241.7	0.0	0.0	1,241.7

**Purchasing
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2010 Management Plan</u>	<u>FY2011 Governor</u>		
Full-time	14	14	Annual Salaries	746,725
Part-time	0	0	Premium Pay	3,613
Nonpermanent	0	0	Annual Benefits	382,830
			<i>Less 2.96% Vacancy Factor</i>	(33,568)
			Lump Sum Premium Pay	0
Totals	14	14	Total Personal Services	1,099,600

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	0	0	1	0	1
Accounting Tech II	0	0	1	0	1
Administrative Officer I	0	0	1	0	1
Chief Procurement Off	0	0	1	0	1
Contracting Officer II	0	0	1	0	1
Contracting Officer III	0	0	4	0	4
Contracting Officer IV	0	0	1	0	1
Division Operations Manager	0	0	1	0	1
Office Assistant I	0	0	1	0	1
Office Assistant II	0	0	1	0	1
Publications Tech II	0	0	1	0	1
Totals	0	0	14	0	14

Component Detail All Funds

Department of Administration

Component: Purchasing (60)

RDU: Centralized Administrative Services (13)

	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Management Plan	FY2011 Governor	FY2010 Management Plan vs FY2011 Governor	
71000 Personal Services	1,001.3	1,097.8	1,097.8	1,097.8	1,099.6	1.8	0.2%
72000 Travel	12.2	4.4	4.4	4.4	4.4	0.0	0.0%
73000 Services	93.0	114.6	114.6	114.6	114.6	0.0	0.0%
74000 Commodities	21.0	23.1	23.1	23.1	23.1	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,127.5	1,239.9	1,239.9	1,239.9	1,241.7	1.8	0.1%
Fund Sources:							
1004 Gen Fund	1,111.8	1,239.9	1,239.9	1,239.9	1,241.7	1.8	0.1%
1007 I/A Rcpts	15.7	0.0	0.0	0.0	0.0	0.0	0.0%
General Funds	1,111.8	1,239.9	1,239.9	1,239.9	1,241.7	1.8	0.1%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	15.7	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	14	14	14	14	14	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Administration

Component: Purchasing (60)
RDU: Centralized Administrative Services (13)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2010 Conference Committee To FY2010 Authorized *****												
FY2010 Conference Committee												
1004 Gen Fund	ConfCom	1,239.9	1,097.8	4.4	114.6	23.1	0.0	0.0	0.0	14	0	0
		1,239.9										
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	Subtotal	1,239.9	1,097.8	4.4	114.6	23.1	0.0	0.0	0.0	14	0	0
***** Changes From FY2010 Authorized To FY2010 Management Plan *****												
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	Subtotal	1,239.9	1,097.8	4.4	114.6	23.1	0.0	0.0	0.0	14	0	0
***** Changes From FY2010 Management Plan To FY2011 Governor *****												
FY2011 Health Insurance Cost Increase Non-Covered Employees												
1004 Gen Fund	SalAdj	1.8	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Costs associated with Health Insurance Increases.: \$1.8												
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	Totals	1,241.7	1,099.6	4.4	114.6	23.1	0.0	0.0	0.0	14	0	0

Personal Services Expenditure Detail
Department of Administration

Scenario: FY2011 Governor (7749)
Component: Purchasing (60)
RDU: Centralized Administrative Services (13)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Month	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
02-5001	Division Operations Manager	FT	A	SS	Juneau	2A	24B / C	6.2	**	44,456	0	0	20,655	65,111	65,111
02-5005	Chief Procurement Off	FT	A	XE	Juneau	AA	27M / N	10.0	**	111,030	0	0	47,960	158,990	158,990
02-5009	Contracting Officer IV	FT	A	SS	Juneau	2A	22D / E	11.0		71,774	0	0	34,258	106,032	106,032
02-5012	Contracting Officer III	FT	A	GP	Juneau	2A	19G / J	12.0		70,508	0	0	35,105	105,613	105,613
02-5017	Contracting Officer II	FT	A	GP	Juneau	2A	16A / B	12.0		46,851	0	0	27,149	74,000	74,000
02-5019	Contracting Officer III	FT	A	SS	Juneau	2A	19F / J	12.0		74,730	0	0	36,172	110,902	110,902
02-5046	Mail Services Manager	FT	A	SS	Juneau	2A	15F	0.6	*	2,639	0	0	1,440	4,079	4,079
02-5068	Accounting Clerk	FT	A	GP	Juneau	2A	10B	3.4	*	9,112	0	0	6,292	15,404	15,404
02-5108	Administrative Officer I	FT	A	SS	Juneau	2A	17B / C	4.8	**	21,415	0	0	11,618	33,033	33,033
02-5126	Contracting Officer III	FT	A	GP	Juneau	2A	19J	12.0		71,100	0	0	35,304	106,404	106,404
02-5128	Contracting Officer III	FT	A	GP	Juneau	2A	19J / K	12.0		73,764	0	0	36,200	109,964	109,964
02-5138	Office Assistant II	FT	A	GP	Juneau	2A	10F / G	10.8	**	32,769	0	0	21,274	54,043	54,043
02-5139	Publications Tech II	FT	A	GP	Juneau	2A	13D / E	12.0		42,110	0	0	25,555	67,665	67,665
02-5146	Accounting Tech I	FT	A	GP	Juneau	2A	12E	3.4	*	11,347	0	0	7,044	18,391	18,391
02-5155	Accounting Tech II	FT	A	GP	Juneau	2A	14C / D	2.4	**	8,733	0	0	5,216	13,949	13,949
02-5158	Accountant III	FT	A	GP	Juneau	2A	18L	3.0	**	18,240	0	0	8,982	27,222	27,222
02-5170	Accountant IV	FT	A	SS	Juneau	2A	20F	2.4	*	14,599	0	0	7,118	21,717	21,717
02-5173	Office Assistant I	FT	A	GP	Juneau	2A	8B	6.0	**	14,247	0	0	10,488	24,735	24,735
02-5174	Analyst/Programmer IV	FT	A	GP	Anchorage	2A	20B	1.4	*	7,301	0	3,613	5,000	15,914	15,914
Total Salary Costs:														746,725	
Total COLA:														0	
Total Premium Pay::														3,613	
Total Benefits:														382,830	
Total Pre-Vacancy:														1,133,168	
Minus Vacancy Adjustment of 2.96%:														(33,568)	
Total Post-Vacancy:														1,099,600	
Plus Lump Sum Premium Pay:														0	
Personal Services Line 100:														1,099,600	
Positions in Component:		14	0	0											
Total Component Months:		137.4													

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.
[No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Personal Services Expenditure Detail
Department of Administration

Scenario: FY2011 Governor (7749)
Component: Purchasing (60)
RDU: Centralized Administrative Services (13)

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	1,133,168	1,099,600	100.00%
Total PCN Funding:	1,133,168	1,099,600	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.
[No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.